



REVIEW OF THE
DEPARTMENT OF AGRICULTURE

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-32
May 11, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

May 2000

The following problems were discovered as a result of a review conducted by our office of the Department of Agriculture.

As noted in our three previous audits, the Department of Agriculture has established several bank accounts outside the state treasury. The monies were deposited into bank accounts to fund various conferences, process payments to exhibitors at the state fair, and facilitate the operation of the AgriMissouri Market at the state fair. The audit noted seven bank accounts with deposits to these accounts totaling more than \$294,000 annually. The department has no authority to open accounts outside the state treasury. Constitutional and statutory provisions require state funds to be held and disbursed by the State Treasurer. By maintaining program funds outside the state treasury, the department increases the risk that monies may be misused. Problems were noted regarding these various accounts.

- Cash collected for registration fees and the monies used for change at the 1998 Governor's Conference on Agriculture were not deposited to the bank account resulting in a shortage of at least \$1,713. Control weaknesses such as untimely depositing, not reconciling receipt records to deposits, not recording all receipts to the registration system, and a lack of supervision allowed this shortage to occur and remain undetected until our audit.
- The annual Governor's Conference on Agriculture is funded in part by donations. The department actively solicits these contributions, and according to department records, totaled \$19,400 during fiscal year 1999. Many of the companies and organizations on the list of contributors are licensed, inspected, and/or regulated by the department. Actively soliciting donations from these companies gives the appearance of, and may result in, a potential conflict of interest.
- Receipts records related to the AgriMissouri Market bank account were not adequate. One person was primarily responsible for preparing and making deposits, preparing and signing checks, and performing bank reconciliations. This person was also responsible for contacting and placing orders with companies, computing retail prices, tracking product inventory, and settling with companies after the fair by returning unsold products and issuing checks for products sold. Because of the minimal supervision and inadequate controls and records, the department has no assurance all monies received were deposited and payments to companies were appropriate.

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YELLOW SHEET

The Agriculture Development Fund (ADF) was established with Rural Rehabilitation Program assets of the United States Department of Agriculture (USDA). An agreement between the USDA Farmers Home Administration and the Missouri Department of Agriculture requires the funds to be used for direct or indirect assistance to Missouri farmers. Assistance programs include interest rebates, loans, loan guarantees, and scholarships. On June 30, 1999, the ADF balance totaled approximately \$4.2 million and approximately 1,590 loans and loan guarantees were outstanding. We noted some concerns with the administration of the fund and the related programs.

- One crop and livestock loan recipient is the daughter of a Department of Agriculture employee who serves as an ADF loan representative. Although the recipient appears to have met all award criteria and employees were aware of the relationship, the department did not clearly document the relationship in the applicant's file.
- In one instance, the department awarded a \$500 scholarship to an applicant who reported no family farm income, although family farm income is required for participation. While the department indicated information was obtained to resolve questions as to eligibility, this additional information was not documented in the applicant's file.
- In another case, a \$20,000 alternative agricultural enterprise loan to an applicant for a retail hog venture was noted which does not appear to meet the department's criteria for an alternative agricultural enterprise. Additionally, the use agreement with the USDA prohibits the purchase of conventional livestock.
- No written agreement exists with the custodial bank for the fund's investments.

The purpose of the Livestock Enforcement Program is to ensure the control of livestock diseases in Missouri. Livestock enforcement officers may issue citations to those suspected of violating animal health regulations. The citations are reviewed by the Enforcement Officer Supervisor and State Veterinarian, the appropriate fine determined, and a letter sent to the offender. The offender is given the option of paying the fine by a specified date or appearing at an administrative hearing to contest the citation. Our review revealed that some citations are not reviewed on a timely basis. Additionally, the numerical sequence and ultimate disposition of citations are not accounted for properly.

The Missouri Department of Agriculture, Division of Weights and Measures did not perform some of its required inspections of commercial scales and petroleum dispensing meters at service stations.

The department has not formally evaluated its vehicle needs despite obtaining significant funding to replace a portion of its vehicle fleet, vehicle usage logs are not prepared for some vehicles, and the assignment of department vehicles to specific employees appears unnecessary or inefficient in some cases.

REVIEW OF THE
DEPARTMENT OF AGRICULTURE

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STATE AUDITOR'S REPORT



CLAIRE C. McCASKILL
Missouri State Auditor

Honorable Mel Carnahan, Governor
and
John Saunders, Director
Department of Agriculture

We have conducted a review of the Department of Agriculture, excluding the Missouri State Fair and the State Milk Board, which are reported on separately. The scope of our review included, but was not necessarily limited to, the year ended June 30, 1999. The objectives of this review were to:

1. Review management practices and financial information for compliance with applicable constitutional provisions, statutes, regulations and administrative rules as we deemed necessary or appropriate in the circumstances.
2. Review the efficiency and the effectiveness of certain management practices.
3. Review certain revenues received and certain expenditures made by the department.

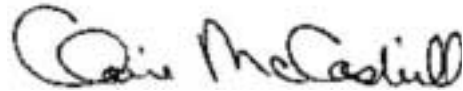
Our review was made in accordance with applicable generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed the department's revenues, expenditures, rules, regulations, and other pertinent procedures and documents and interviewed department personnel.

As part of our review, we assessed the Department of Agriculture's management controls to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on these controls. With respect to management controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Our review was limited to the matters described above and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in the review of the Department of Agriculture.

The accompanying Management Advisory Report presents our findings and recommendations arising from our review of the Department of Agriculture.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill
State Auditor

October 13, 1999 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Kenneth W. Kuster, CPA
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MANAGEMENT ADVISORY REPORT SECTION

REVIEW OF THE
DEPARTMENT OF AGRICULTURE
SUMMARY OF FINDINGS

1. Missing Funds and Conference Receipting Procedures (pages 6-8)

Cash collected for registration fees and the funds used for change at the 1998 Governor's Conference on Agriculture (GCA) were not deposited to the bank account established for these funds resulting in a shortage of at least \$1,713. Registration fees of the GCA were not always promptly deposited to the bank account, receipt amounts were not always reconciled to the amounts deposited, and fees collected were not always recorded on the registration system.

2. Unauthorized Bank Accounts (pages 8-10)

The Missouri Department of Agriculture (MDA) maintains various bank accounts outside the state treasury. The method for soliciting donations to the Governor's Conference on Agriculture may constitute a conflict of interest. Records and procedures related to the AgriMissouri Market bank account were not adequate.

3. Receipt Procedures (pages 10-11)

The duties of handling and accounting for receipts are not properly segregated. The various license, inspection, and registration documents of some divisions of the department are not accounted for and reconciled to the related receipts.

4. State Vehicles (pages 11-13)

Vehicle usage logs are not prepared for some vehicles, the department has not formally evaluated its vehicle needs, and the assignment of department vehicles appears inefficient.

5. Division of Animal Health Livestock Enforcement Program (pages 13-14)

Citations issued to persons in violation of Missouri health laws are not reviewed on a timely basis. Additionally, citations issued are not accounted for properly.

6. Agriculture Development Fund (pages 14-16)

The MDA has not established procedures for identification and approval of assistance applications from relatives of MDA employees. Some program recipients did not appear to meet the qualification criteria. No written agreement exists with the custodial bank regarding the investments of the fund.

7. Division of Weights and Measures Inspections (page 16)

The MDA did not perform some of its required inspections of scales and petroleum dispensing meters at service stations.

REVIEW OF THE
DEPARTMENT OF AGRICULTURE
MANAGEMENT ADVISORY REPORT

1. Missing Funds and Conference Receipting Procedures
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The Missouri Department of Agriculture (MDA) handles the receipts and disbursements for the annual Governor's Conference on Agriculture (GCA). The MDA has a bank account for processing the receipts and disbursements of the GCA. The 1998 GCA was held December 13 through December 15, 1998. Department records indicate registration fees collected for participants of the 1998 GCA totaled approximately \$52,000. Pre-registration payments were received by mail prior to the conference, walk-in registration payments were received at the conference, and invoice payments from sponsoring agencies were received after the conference. Amounts collected from GCA participants were recorded on a computerized registration system. Our review of the registration fee records and bank deposits revealed missing funds and control weaknesses.

- A. We compared the receipt listing produced by the registration system (which details receipt transactions for the time period November 9, 1998, through May 3, 1999) for the 1998 GCA to the corresponding bank deposits (various dates ranging from November 12, 1998, through May 10, 1999) and noted that at least \$1,413 of registration fees were not deposited. The monies that are missing appear to represent cash receipts for walk-in registration fees collected at the conference and recorded but not deposited. In several instances, checks or money orders were deposited but not recorded and apparently substituted for recorded cash receipts collected at the conference. Additionally, \$300 in cash from the GCA bank account which was used for change at the conference was not redeposited. These missing funds went undetected due to various internal control weaknesses as discussed below.
- B.1. Registration fees were not always deposited timely and intact. For example, receipts totaling \$7,454 and with receipt dates ranging from December 11, 1998 through January 21, 1999, were not deposited until January 26, 1999. This deposit consisted of receipts received prior to, during, and subsequent to the conference. Cash receipts totaling \$1,413 and receipted during this same time period were not deposited.
- 2. With the exception of the January 26, 1999 deposit discussed above, the MDA procedure is to compare the receipt listing to the actual monies collected, photocopy the check or money order receipts, and retain the bank deposit receipt, deposit slip, copies, and receipt listing together to support the deposit. For this January 26, 1999 deposit, only the bank deposit receipt was retained and there was no documented evidence that actual monies collected were compared to the receipt listing and deposit.

3. No receipt slip or other evidence of the transmittal of registration fees from one person to another is prepared. As a result, there is a breakdown in the audit trail and accountability over these funds.
4. Registration collections totaling approximately \$2,000 were not recorded on the MDA's registration system. Many of these payments were apparently received after the conference from agencies making payment from MDA invoices for the conference participants from the agencies.
5. Receipt slip numbers are not accounted for properly. While reviewing the receipt records we noted unexplained gaps in the receipt slip numbers and an instance where the same receipt slip number was used twice.

Supervision of the GCA receipting and depositing procedures was not adequate. Although the conference records provide the necessary information, no one independent of the receipting, recording, and depositing processes reconciled the composition of deposits back to the initial receipt records or ensured that all the usual records were prepared and retained. This comparison could be performed by the person that prepares the monthly bank reconciliation for the conference account. Had such independent procedures been performed, the discrepancies could have been detected in a timely manner.

To ensure that registration fees are properly handled, the MDA should ensure the collections are deposited daily or when accumulated collections exceed \$100. Additionally, the MDA should ensure all receipts and their method of payment are accurately recorded and reconciled to the amounts and composition of monies deposited, all appropriate documentation is maintained, evidence of transmittals are prepared, and receipt slip numbers are accounted for fully.

WE RECOMMEND the MDA:

- A. Work with law enforcement officials regarding restitution of the missing monies and any criminal prosecution considered necessary.
- B. Deposit receipts intact daily or when accumulated receipts exceed \$100, reconcile the amount and composition of monies transmitted and deposited to the receipt listing and deposit, prepare receipt documents as evidence of monies transmitted, record all monies received, and account for prenumbered receipt slips. In addition, the MDA needs to ensure that improved and independent supervision of these functions is implemented.

AUDITEE'S RESPONSE

The department concurs with recommendations A and B. New receipts processing procedures addressing each issue cited in recommendation B were developed and implemented for the 1999 Governor's Conference on Agriculture. Regarding recommendation A, the department has

completed an internal investigation, has consulted with legal counsel to determine appropriate action, and has requested an independent external investigation.

2.

Unauthorized Bank Accounts

As similarly noted in our three previous audits, the MDA has established several checking and money market accounts outside of the state treasury. Donations and registration fees were paid to the MDA for the purpose of organizing conferences regarding agricultural issues. These monies were deposited into bank accounts to fund the Governor's Conference on Agriculture (GCA), the Agriculture Buffet, and the AgriExpo 2000 Conference. During fiscal year 1999, monies deposited into the GCA and Agriculture Buffet bank accounts totaled approximately \$107,785 and \$3,250, respectively. Monies deposited into the AgriExpo 2000 Conference bank account during early 2000 totaled approximately \$5,675. Several bank accounts also exist to process payments to exhibitors participating in the steer, barrow, and lamb carcass shows held each year at the Missouri State Fair. Monies deposited into these bank accounts for the 1999 Fair totaled approximately \$96,627, \$44,865, and \$16,986, respectively. In addition, a bank account has been established to facilitate the operation of the AgriMissouri Market at the Missouri State Fair. Sales receipts, operational costs, and payments to companies for their products sold are processed through this bank account. Monies totaling approximately \$18,865 were deposited into this bank account for the 1999 Fair. The following items were noted regarding these accounts.

- A. The MDA has no authority to open bank accounts outside the state treasury. Article IV, Section 15, of the Missouri Constitution and Section 30.240, RSMo 1994, require state funds to be held and disbursed by the state treasurer. Furthermore, by maintaining program funds outside the state treasury, the department increases the risk that state monies may be misused.
- B. As noted above, the annual GCA is funded in part by donations from various agriculture-related companies and organizations. While organizing the conference each year, the MDA actively solicits these contributions. According to department records, contributions totaling \$19,400 were received during the year ended June 30, 1999. We examined the list of contributors and noted that many of the companies and organizations are licensed, inspected, and/or regulated by the department. Actively soliciting donations from these companies gives the appearance of, and may result in, a potential conflict of interest.
- C. Monies deposited into the AgriMissouri Market bank account primarily result from product sales. Disbursements from the account relate to costs of operating the market and payments to companies for their products sold. Other than documentation of a cash count performed at the end of each day, no records of receipts (such as prenumbered receipt slips, daily receipt logs, or cash register tapes) are prepared to support each day's sales amount. Each day at closing, a cash count is to be performed and documented. However, department records did not contain this cash count documentation for some days during

the 1998 Fair or any days during the 1999 Fair. Monies are generally deposited the following day.

While several department employees work in the market during the fair and have access to cash receipts, one individual is primarily responsible for preparing and making deposits, preparing and signing checks, and performing month-end bank reconciliations. This individual is also primarily responsible for contacting companies, placing orders with the companies, computing retail prices, tracking the product inventory, and settling with the companies after the fair by returning unsold products and paying for products sold. Supervision of these procedures was minimal. Because of the minimal supervision, and inadequate receipt records and control systems in place, the department has no assurance all monies received are deposited and that payments to companies are appropriate.

The establishment of these various bank accounts and the department's failure to implement adequate internal controls and supervision procedures lessens the assurance that monies received and disbursed are adequately accounted for and increases the possibility of the loss or misuse of funds.

The department needs to clarify its role in organizing these events. If these are legitimate department functions, the department should seek legislative authority for handling the funds. In addition, needed funding should be requested through the appropriations process. However, if these are not departmental functions, the MDA coordination and management should cease.

WE AGAIN RECOMMEND the MDA:

- A. Close all bank accounts outside the state treasury. The balances remaining in any of these accounts should be deposited to the state treasury or transferred to the appropriate entity. The department should review how to best account for these programs through the state treasury if they are to be continued.
- B. Discontinue the practice of soliciting contributions from entities which are licensed, regulated, and/or inspected by the MDA.
- C. Implement adequate records and supervision procedures for the AgriMissouri Market.

AUDITEE'S RESPONSE

The department believes strongly that the conferences and activities identified by the State Auditor serve an appropriate public policy interest. However, in light of the State Auditor's recommendations, alternative methods for handling funds for these events are being established. All of the outside accounts will be closed by August 31, 2000. The department is seeking additional appropriation authority that will allow any balances or future revenues to be deposited into the state treasury per the State Auditor's recommendations. In addition, the department's fiscal staff are

implementing new procedures to ensure that appropriate record keeping and supervision procedures are in place for the next AgriMissouri Market in August 2000.

3. Receipt Procedures

Each of the programs within the various divisions of the MDA is responsible for collecting its own revenues, transmitting these revenues to the fiscal office or Department of Revenue for deposit, and preparing and maintaining the accounting records. Receipts for the year ended June 30, 1999, totaled approximately \$14.4 million. Because each division establishes its own procedures there is a lack of standardization in handling receipts.

- A. We noted a lack of segregation of duties in various divisions. The duties of record keeping and custody of receipts are not always adequately segregated. One individual generally handles the receipts, prepares the revenue transmittals, and maintains the accounting records. In some divisions, this same individual also performs the functions of billing for services, monitoring past due accounts, and processing of refunds.

To protect against possible loss or misuse of funds, internal controls should provide reasonable assurance through segregation of duties that all transactions are accounted for properly. Failure to adequately segregate these functions increases the potential for misappropriation of funds and the concealment of this misappropriation. As noted in prior audit reports, adequate segregation of duties could possibly be achieved by the MDA by establishing a centralized receiving location. Alternatively, if the MDA chooses to continue to receive collections at the divisions, proper segregation could be achieved by assigning the receipt and transmittal responsibilities to an employee within each division with no responsibilities for posting payments to the accounting records, preparing billings, monitoring past due accounts, or processing of refunds.

- B. The various license, inspection, and registration documents of the divisions of the MDA are not always accounted for and reconciled to the related receipts. The numerical sequence of plant pest inspection reports are not accounted for properly. Blocks of reports are assigned to the inspectors but the numerical sequence of reports issued are not accounted for and reconciled to the related receipts. Additionally, feed licenses, seed permits, pesticide licenses, and product registration forms issued are not reconciled to the related receipts.

To provide assurance that receipts are proper and complete, the MDA should ensure that inspection reports are accounted for and reconciled to the related receipts. Additionally, licenses, product registrations, and permits issued should be reconciled to the related receipts to provide assurance that these receipts are properly recorded and handled.

WE RECOMMEND the MDA:

- A. Review the internal controls and procedures in the various divisions and ensure the duties of receiving and transmitting receipts are adequately segregated from the duties of posting payments to the accounting records, preparing billings, monitoring past due accounts, and processing of refunds. If adequate segregation of duties cannot be achieved, there should be periodic independent supervisory reviews of records and reconciliations.
- B. Account for plant pest inspection reports issued and reconcile these reports to the related revenues. Additionally, the MDA should reconcile pesticide and feed licenses, seed permits, and product registration forms to the related revenues.

AUDITEE'S RESPONSE

The department concurs with recommendations A and B. Although we believe that our receipts have been adequately protected, our fiscal staff are implementing new procedures to ensure segregation of duties for cash receipts and providing supervisory review of records and reconciliations per the State Auditor's recommendations. These procedures are expected to be finalized and implemented by the end of calendar year 2000.

4. State Vehicles

The MDA maintains a fleet of 226 vehicles for use by both field and central office employees. The vehicles are assigned to the various divisions and the Director's Office. The vehicles are assigned as follows:

Field employees	177
Jefferson City	49
Total	<u>226</u>

Of the 49 vehicles assigned to Jefferson City, 32 are assigned to division vehicle pools, 13 are assigned to specific employees (including nine vehicles that are also used by the assigned employee for personal commuting), and four are specialized vehicles. The MDA has received appropriations totaling approximately \$1.3 million for significant replacement of many of the vehicles in its fleet for the year ending June 30, 2000. We reviewed the use and applicable documentation for the vehicles and noted the following concerns.

- A. Vehicle usage logs are not maintained for some vehicles. No vehicle usage logs are maintained for the pool vehicles of the Grain Inspection and Warehousing, and Animal Health divisions, and no vehicle usage records are maintained for vehicles assigned to specific employees in the Market Development division, Animal Health division, and the

Director's Office. Additionally, the vehicle usage documentation, where maintained, varies among the various divisions and the Director's Office. Vehicle usage for personally assigned vehicles is documented on weekly field activity reports while usage of pool vehicles is maintained on vehicle operation records which lack an indication of the purpose of each trip.

Vehicle usage logs documenting the date, destination, purpose of the trip, and mileage should be maintained for all vehicles and periodically reviewed to ensure vehicles are properly used for business purposes. The MDA should establish standard and consistent documentation for recording vehicle usage throughout the department.

- B. Despite the substantial appropriation discussed above and the replacement of a significant number of vehicles, the MDA has not formally evaluated the vehicle needs of the department or determined the most effective allocation of vehicles among its employees.

The MDA does not have a centralized vehicle pool. Each division and the Director's Office maintains pool vehicles and monitors the assignment and use of these vehicles. While some of the pool vehicles are used as replacements for field personnel when their assigned vehicle is inoperable, many pool vehicles are not regularly used.

Some vehicles are assigned specifically to central office staff who have job assignments which appear to require little or no regular business travel. These vehicles apparently are often used primarily for commuting between the MDA and the personal residences of the employees. We noted the total monthly mileage for two vehicles specifically assigned to central office staff was frequently less than 750 miles.

To more efficiently utilize its fleet of vehicles the MDA should consider establishing a centralized vehicle pool to help eliminate unnecessary vehicles while more efficiently using the remaining pool vehicles and should assign specific vehicles only to those employees whose positions require regular business travel. In addition, the MDA needs to periodically review vehicle needs and assignments, especially prior to the purchase of a significant number of replacement vehicles.

Similar conditions have been noted in our two previous audit reports.

WE RECOMMEND the MDA:

- A. Require standard usage logs be completed and maintained for all state vehicles. The logs should include beginning and ending odometer readings, purpose of the trip, person making the trip, destination and date of travel. The ending mileage reported should be reconciled on a periodic basis to the vehicle odometer readings.

- B. Review and determine the vehicle needs of the department. Consideration should be given to establishing a central vehicle pool to reduce the number of vehicles needed and evaluate the needs of central office employees for assignment to specific vehicles.

AUDITEE'S RESPONSE

The department concurs with recommendations A and B. Vehicle logs are currently maintained for nearly all the department's vehicles. The department is implementing procedures to ensure that vehicle logs are maintained for the remaining vehicles. Given the diverse and widespread responsibilities of the department we are reviewing both individual and overall vehicle needs, including the State Auditor's recommendation to establish a central vehicle pool. Any fleet management procedures that are revised as a result of this review will be implemented by the end of calendar year 2000.

5. Division of Animal Health Livestock Enforcement Program

The purpose of the Livestock Enforcement Program is to ensure the control of livestock diseases in Missouri. Livestock enforcement officers may issue citations to those suspected of violating animal health regulations. If a citation is issued, the citations are reviewed by the Enforcement Officer Supervisor and State Veterinarian (who is also the Director of the Division of Animal Health). After they determine the appropriate fine for the violation, a letter is sent to the offender informing him or her of the amount. The offender is given the option of paying the fine by a specified date or appearing at an administrative hearing to contest the citation.

Our review of the program revealed the following deficiencies.

- A. Some citations have not been processed in a timely manner. We noted four citations had been outstanding more than one year. For three of these citations, the fines had been assessed and letters had been sent to the violators; however, the deadline for paying the fines had lapsed and the MDA had taken no further action to collect the fines or bring the cases to administrative hearings. The other citation had been misfiled and the MDA had not reviewed the case. This citation was located after we brought this to the division's attention.

To ensure the livestock enforcement program is fulfilling its intended purpose and is adequately enforcing citations issued, the department should develop procedures to process citations on a timely basis.

A similar condition was noted in our prior audit report.

- B. The MDA does not adequately account for the numerical sequence of citations issued. The MDA records the disposition of the citations on an issuance log. However, we noted

several citations that were not recorded on the issuance log. The MDA investigated these citations upon our request and found some of the citations had been voided or dismissed.

Without a proper accounting for the numerical sequence and ultimate disposition of citations, the MDA cannot be assured all citations issued are properly processed. Properly maintained logs would account for of all citations as well as the ultimate disposition of each document.

WE RECOMMEND the MDA:

- A. Develop procedures to process all citations on a timely basis.
- B. Ensure records are maintained to account for the numerical sequence and ultimate disposition of all citations issued.

AUDITEE'S RESPONSE

The department concurs and has already made efforts to implement these recommendations. The supervisor of the Livestock Enforcement Program has been directed to work closely with the Attorney General's office to review and ensure the timely implementation of the following citation policies:

- *Record Keeping*
- *Fine Assessment*
- *Administrative Hearing Procedures*
- *Final Disposition*

As of January 2000, quarterly citation logs are being sent to each enforcement officer for verification.

6. Agriculture Development Fund
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The Agriculture Development Fund (ADF) was established with Rural Rehabilitation Program assets of the United States Department of Agriculture (USDA). An agreement between the USDA Farmers Home Administration and the MDA requires the funds to be used for direct or indirect assistance to Missouri farmers. The specific assistance programs developed by the MDA, and approved by the USDA, to assist Missouri farmers are interest rebates and loan guarantees for crop and livestock projects; interest rebates for farm mechanics projects; loans for alternative agricultural enterprises; grants for FFA chapters and 4-H clubs; and college scholarships to high school seniors. On June 30, 1999, the ADF balance totaled approximately \$4.2 million and approximately 1,590 loans and loan guarantees were outstanding. We noted the following concerns with the administration of this fund and the related programs.

- A. The MDA has not established procedures for identification and approval of applications from relatives of MDA employees. The MDA does not require applicants to disclose in their applications any relatives working for the MDA. We noted one crop and livestock loan recipient is the daughter of an MDA ADF loan representative. Although the recipient appears to have met all award criteria and employees of the MDA were aware of the relationship, the MDA did not clearly document the relationship in the applicant's file. Additionally, although the MDA had indicated to us that applications from any related parties require additional approval from the division director, we noted no documentation for this applicant indicating the division director was made aware of and approved the application. The MDA should consider requiring applicants to disclose any related MDA employees in the application to ensure that related applicants are identified and disclosed, and require appropriate reviews of the application to ensure that no undue influence is exercised over the award process and each applicant is judged equitably.
- B. We noted two program recipients who do not appear to be qualified participants based on the award criteria of the MDA, and the MDA did not maintain documentation explaining why it considered the recipient qualified despite the apparent disqualification.
- 1) In one instance, the MDA awarded a \$500 scholarship to an applicant who reported no family farm income, although family farm income is required for participation. The MDA indicated that it had approved the loan after contacting the applicant and learning the applicant had reported no farm income because the farm had suffered a financial loss. However, the MDA had not documented this information in the applicant's file.
 - 2) In another case, we noted a \$20,000 alternative agricultural enterprise loan to an applicant for a retail hog venture which does not appear to meet the MDA's criteria for an alternative agricultural enterprise. Additionally, the use agreement with USDA prohibits the purchase of conventional livestock.

To ensure equitable treatment among applicants, the MDA should require each recipient to fully meet all of its eligibility criteria or maintain explanatory documentation to support the decision to exempt the applicant from the criteria.

- C. Many of the assets of the ADF are invested by a local bank in government securities based on recommendations of the MDA's investment advisory committee. The MDA has no written agreement with the bank for these services. A written agreement, signed by the parties involved, should specify the role of the bank in investment acquisitions and custody, clarify the MDA's rights and responsibilities, and provide protection to both parties.

WE RECOMMEND the MDA:

- A. Require applicants for ADF programs to disclose any relationships to MDA employees and obtain approval from the division director for any applications from related parties.
- B. Require each recipient to fully meet all of its eligibility criteria or maintain explanatory documentation to support the decision to exempt the applicant from the criteria.
- C. Execute a written agreement with the local bank regarding the ADF's investments.

AUDITEE'S RESPONSE

The department concurs and the recommendations have been implemented.

7. Division of Weights and Measures Inspections
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The MDA inspects and tests commercial measuring and weighing devices to ensure the devices are accurate, properly installed and maintained, and suitable for their intended use. We reviewed the MDA's reports of its inspections performed and noted that inspections were sometimes not performed with the required frequency.

- A. Inspections of some of the measuring devices for petroleum dispensers at service stations were only performed once during the year ending December 31, 1998. The MDA's inspection reports indicate that one or no inspections were performed for many stations in 1998 for three regions of the state covering 19 counties. The MDA indicated the inspectors assigned to those regions had long absences due to illness and it was unable to reassign inspectors to those regions. Section 414.072, RSMo 1994, requires the MDA to test and inspect these devices at least every six months.
- B. We noted the commercial scales at approximately 480 businesses, or about 5 percent of the total businesses requiring inspection, were not inspected during the year ending December 31, 1998. Of these 480 businesses, 253 were located in regions of the state assigned to three inspectors. Approximately 22 percent of the inspections assigned to these three inspectors were not performed. The MDA indicated that turnover or reassignments in these three inspector positions contributed to the delinquencies. The MDA is required by 2 CSR 90-21.025 to inspect all commercial weighing and measuring devices annually.

To ensure the accuracy of petroleum dispensers and commercial scales, the MDA should perform inspections of these devices with the frequencies required by state law and regulation.

WE RECOMMEND the MDA inspect and certify commercial weighing and measuring devices as frequently as required by state law and regulation.

AUDITEE'S RESPONSE

The department concurs and has implemented procedures to ensure timely inspections.

This report is intended for the information of the management of the Department of Agriculture and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

STATISTICAL SECTION

History, Organization, and Statistical Information

DEPARTMENT OF AGRICULTURE HISTORY, ORGANIZATION, AND STATISTICAL INFORMATION

The Department of Agriculture was created in 1933 by an act of the legislature to replace the Missouri State Board of Agriculture. The Reorganization Act of 1974 had little impact on the department, extending its authority to cover LP-gas and motor fuel inspections. The State Milk Board was assigned to the department as a vehicle for budgeting appropriations and, accordingly, is not included herein. The Agricultural and Small Business Development Authority was created by State Law in 1981, and its governing body consists of members who are residents of this state are appointed by the Governor with the advice and consent of the Senate.

Operating under the director, the department's divisions are charged with enforcing state laws regulating the handling and marketing of agribusiness products, as well as protecting producers, processors, distributors, and consumers of food and fiber and promoting Missouri's agricultural economy.

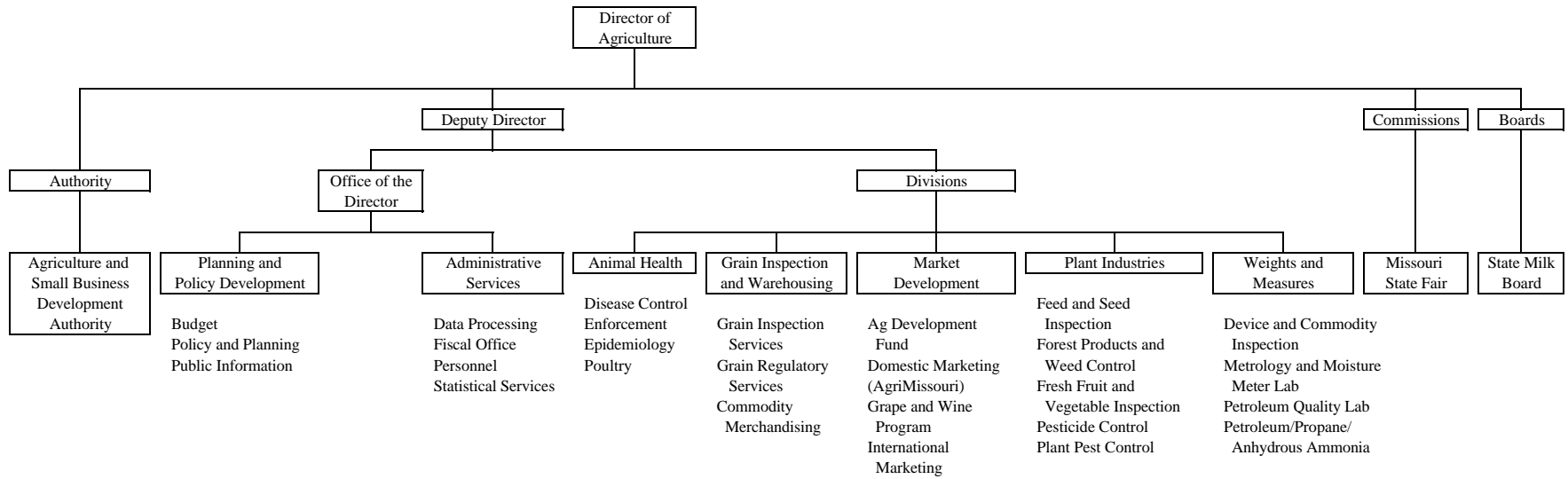
The following are the various responsibilities of the Office of Director, the five divisions of the department, and the Agricultural and Small Business Development Authority:

1. The Office of the Director determines department policy, assigns duties among departmental units, obtains financial and personnel resources to discharge department responsibilities, and monitors departmental performance.
2. The Division of Animal Health, directed by the state veterinarian, administers the laws and regulations pertaining to livestock and poultry health and sanitation.
3. The Division of Grain Inspection and Warehousing is responsible for the enforcement of the Missouri grain dealers and grain warehouse laws and U.S. Grain Standards Act. The Grain Inspection Program serves as a disinterested third-party which, upon request, will determine the grade, weight, and protein content of grain for any interested party. The Grain Regulatory Services Program oversees the regulation of the storage, purchase and sale of grain in Missouri. Additionally, the division administers the commodity checkoff programs.
4. The Division of Market Development is responsible for obtaining maximum participation in domestic and international markets for Missouri agricultural products. The programs of this division are expected to improve the economic well-being of Missouri's agriculture agribusiness industry. The division also administers the Agriculture Development Fund Program which provides youth and youth development programs, scholarships, as well as loans and grants for the betterment of rural agriculture.
5. The Division of Plant Industries is responsible for all plant disease surveillance and quarantines. The division administers regulations concerning the use of pesticides, herbicides, and other chemical products, and is responsible for fruit and vegetable inspection, feed and seed inspection, and treated timber and Johnson grass programs.

6. The Division of Weights and Measures maintains surveillance of commercial weighing and measuring devices to ensure accuracy and fair dealing in the exchange of commodities. The division carries out its duties through small-scale inspection, large-scale inspection, commodities inspection, grain moisture meter inspection, motor fuel inspections and testing, and the Liquefied Petroleum Gas Authority.
7. The Agricultural and Small Business Development Authority issues tax-free bonds to lenders who make low-interest loans to farmers and small businesses and administers the animal Waste Treatment System Loan program, the Single-Purpose Animal Facilities Loan Guarantee program, the Missouri Value-Added Grant program, and the Missouri Value-Added Loan Guarantee program.

John L. Saunders serves as director of the department. The department employed approximately 460 full-time employees as of June 30, 1999. An organization chart follows.

DEPARTMENT OF AGRICULTURE
ORGANIZATION CHART
JUNE 30, 1999



Appendix A

DEPARTMENT OF AGRICULTURE
COMPARATIVE STATEMENT OF APPROPRIATIONS AND EXPENDITURES

	Year Ended June 30,					
	1999			1998		
	Appropriations	Expenditures	Lapsed Balances	Appropriations	Expenditures	Lapsed Balances
GENERAL REVENUE FUND - STATE						
Refunds of erroneous receipts due to errors in application for licenses, registrations, permits, certificates, subscriptions or other fees	\$ 6,000	5,021	979	7,600	7,155	445
Office of Director - Vehicle Replacement - Expense and Equipment	108,600	104,581	4,019	0	0	0
Office of Director - Personal Service	1,206,911	1,158,186	48,725	1,150,774	1,088,558	62,216
Office of Director - Expense and Equipment	415,600	415,597	3	551,494	551,494	0
Operational maintenance and repairs for state owned facilities	94,689	94,686	3	94,689	94,689	0
Ethanol Commission Expenses	5,000	0	5,000	5,000	15	4,985
Research and related activities of the Food and Agriculture Policy Research Institute (FAPRI)	250,000	242,500	7,500	0	0	0
Administration of value-added agriculture programs - Personal Service	34,166	33,141	1,025	0	0	0
Administration of value-added agriculture programs - Expense and Equipment	43,830	42,514	1,316	0	0	0
Indemnity payments	0	0	0	100,000	30,154	69,846
Animal Health - Personal Service	1,905,767	1,847,547	58,220	1,850,409	1,749,623	100,786
Animal Health - Expense and Equipment	582,653	582,653	0	571,557	571,557	0
Indemnifying producers and owners of livestock and poultry for the purpose of preventing the spread of disease during emergencies declared by the state veterinarian, subject to approval by the Department of Agriculture of a State match rate up to 50 percent	0	0	0	500,000	0	500,000
::						
Indemnity payment and indemnifying producers and owners of livestock and poultry for preventing the spread of disease during emergencies declared by the state veterinarian, subject to approval by the Department of Agriculture of a State match rate up to 50 percent	100,000	95,646	4,354	0	0	0
Brucellosis eartags	10,925	8,660	2,265	10,925	8,660	2,265
Grain Inspection and Warehousing - Personal Service	727,795	595,908	131,887	669,577	645,110	24,467
Grain Inspection and Warehousing - Expense and Equipment	181,556	181,556	0	132,460	132,460	0

Plant Industries - Personal Service	1,665,908	1,585,169	80,739	1,587,297	1,502,014	85,283
Demonstration projects that utilize renewable inputs	69,000	69,000	0	69,000	69,000	0
Purpose of funding gypsy moth control, including education, research and management activities, and for the receipt and disbursement of funds donated for gypsy moth control, including education, research and management activities - Personal Service	19,861	19,640	221	19,605	19,605	0
Purpose of funding gypsy moth control, including education, research and management activities, and for the receipt and disbursement of funds donated for gypsy moth control, including education, research and management activities - Expense and Equipment	69,710	12,733	56,977	43,160	16,831	26,329
One-time boll weevil eradication project	0	0	0	153,434	147,618	5,816
::						
Payment of real property leases, related services, utilities and systems furniture; and structural modifications for new FTE - Expense and Equipment	1,754	1,622	132	1,754	1,620	134
Contractual services related to commercial agriculture crop research	0	0	0	180,000	180,000	0
Plant Industries - Expense and Equipment	274,545	274,545	0	280,493	280,493	0
Weights and Measures - Personal Service	1,154,157	1,094,726	59,431	1,013,548	983,142	30,406
Weights and Measures - Expense and Equipment	274,197	271,840	2,357	264,583	264,583	0
Grape and Wine Market and Development Program	50,000	48,500	1,500	50,000	48,500	1,500
Payment of real property leases, related services, utilities and systems furniture; and structural modifications for new FTE - Expense and Equipment	6,086	5,903	183	6,086	5,903	183
Payment of real property leases, related services, utilities and systems furniture; and structural modifications for new FTE - Expense and Equipment	2,476	2,402	74	2,476	2,402	74
New Farmers Program - Contract services to administer a program to provide a link between the production of agricultural products and the welfare to work initiative.	240,000	232,800	7,200	0	0	0
Agriculture Development Program - Personal Service	43,394	42,092	1,302	0	0	0
::						
Agriculture Development Program -						

Expense and Equipment	7,190	6,974	216	0	0	0
Market Development - Personal Service	925,460	887,115	38,345	889,028	867,333	21,695
Market Development - Expense and Equipment	709,746	698,454	11,292	608,223	594,976	13,247
AgriMissouri Marketing Program	280,000	271,600	8,400	280,000	271,600	8,400
Total General Revenue Fund - State	11,466,976	10,933,311	533,665	11,093,172	10,135,095	958,077
DEPARTMENT OF AGRICULTURE - FEDERAL FUND						
Office of Director - Personal Service	1,542	0	1,542	2,253	2,253	0
Office of Director - Expense and Equipment	1,186	0	1,186	19,657	14,140	5,517
Office of Director - Personal Service and/or Expense and Equipment	0	0	0	25,000	0	25,000
Agricultural Awareness Program - Expense and Equipment	25,000	0	25,000	0	0	0
Animal Health - Personal Service	35,628	13,129	22,499	90,862	20,769	70,093
Animal Health - Expense and Equipment	25,000	24,979	21	15,897	0	15,897
Plant Industries - Personal Service	225,671	177,828	47,843	216,118	173,853	42,265
Plant Industries - Expense and Equipment	499,453	293,640	205,813	499,453	233,360	266,093
Purpose of funding gypsy moth control, including education, research and management activities, and for the receipt and disbursement of funds donated for gypsy moth control, including education, research and management activities	100,000	0	100,000	100,000	0	100,000
Weights and Measures - Expense and Equipment	26,624	10,396	16,228	26,624	1,804	24,820
Market Development - Personal Service	70,497	12,034	58,463	67,823	18,581	49,242
Market Development - Expense and Equipment	100,000	0	100,000	100,000	59,286	40,714
Total Department of Agriculture - Federal Fund	1,110,601	532,006	578,595	1,163,687	524,046	639,641
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ANIMAL HEALTH LABORATORY FEE FUND						
Office of Director - Expense and Equipment	1,839	0	1,839	17,756	17,756	0
Agricultural Awareness Program - Personal Service	168	0	168	0	0	0
Animal Health - Personal Service	33,362	19,608	13,754	32,274	18,390	13,884
Animal Health - Expense and Equipment	206,700	206,615	85	206,700	206,692	8
Total Animal Health Laboratory Fee Fund	242,069	226,223	15,846	256,730	242,838	13,892
ANIMAL CARE RESERVE FUND						
Office of Director - Personal Service	1,676	0	1,676	1,512	144	1,368
Office of Director - Expense and Equipment	341	0	341	3,392	3,392	0
Animal Health - Personal Service	210,134	110,440	99,694	203,838	151,411	52,427
Animal Health - Expense and Equipment	90,651	47,198	43,453	90,651	66,695	23,956
Total Animal Care Reserve Fund	302,802	157,638	145,164	299,393	221,642	77,751
LIVESTOCK BRANDS FUND						
Office of Director - Expense and Equipment	121	0	121	3,674	3,674	0
Support the Livestock Brands Program - Expense and Equipment	41,010	9,414	31,596	41,010	33,254	7,756
Total Livestock Brands Fund	41,131	9,414	31,717	44,684	36,928	7,756
COMMODITY COUNCIL MERCHANDISING FUND						
Office of Director - Personal Service	502	0	502	462	365	97
Office of Director - Expense and Equipment	80	0	80	1,524	1,524	0
Grain Inspection and Warehousing - Personal Service	61,618	41,127	20,491	59,659	42,270	17,389

Grain Inspection and Warehousing - Expense and Equipment	23,000	11,502	11,498	23,000	11,766	11,234
Refunds to individuals and reimbursements to commodity councils (Note)	8,000,000	335,866	7,664,134	10,000,000	9,744,445	255,555
Total Commodity Council Merchandising Fund	8,085,200	388,495	7,696,705	10,084,645	9,800,370	284,275

Note: Commodity Council Assessments - Based on changes to RSMo 275.350, checkoff funds collected by the various commodity councils are no longer considered state funds and are to be administered by the state Department of Revenue (DOR) and accounted for within a DOR account. As a result, fiscal year 1999 expenditures exclude commodity assessment distributions now processed through the DOR.

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SINGLE-PURPOSE ANIMAL FACILITIES LOAN PROGRAM FUND

Office of Director - Personal Service	53,917	49,980	3,937	51,044	35,517	15,527
Office of Director - Expense and Equipment	22,371	7,989	14,382	22,580	22,580	0
Total Single-purpose Animal Facilities Loan Program Fund	76,288	57,969	18,319	73,624	58,097	15,527

SINGLE-PURPOSE ANIMAL FACILITIES LOAN GUARANTEE FUND

Funding loan guarantees in accordance with Section 348.190 RSMo	2,000,000	0	2,000,000	2,000,000	0	2,000,000
Loan guarantees in accordance with Section 348.190, RSMo	1,000,000	0	1,000,000	1,000,000	0	1,000,000
Loan guarantees as provided in Section 348.190 RSMo	1,100,000	0	1,100,000	0	0	0
Total Single-purpose Animal Facilities Loan Guarantee Fund	4,100,000	0	4,100,000	3,000,000	0	3,000,000

STATE FAIR FEES FUND

Office of Director - Vehicle Replacement - Expense and Equipment	36,200	0	36,200	17,220	0	17,220
Total State Fair Fees Fund	36,200	0	36,200	17,220	0	17,220

AGRICULTURAL PRODUCT UTILIZATION AND BUSINESS DEVELOPMENT LOAN GUARANTEE FUND

Establishment and initial funding of loan guarantees as provided in Section 348.409 RSMo	1,000,000	0	1,000,000	0	0	0
Total Agricultural Product Utilization and Business Development Loan Guarantee Fund	1,000,000	0	1,000,000	0	0	0

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AGRICULTURAL PRODUCT UTILIZATION GRANT FUND

Establishment and initial funding of the agriculture products utilization grants as provided in Section 348.409 RSMo	500,000	132,036	367,964	0	0	0
Total Agricultural Product Utilization Grant Fund	500,000	132,036	367,964	0	0	0

MISSOURI QUALIFIED FUEL ETHANOL PRODUCER INCENTIVE FUND

Missouri Ethanol Producer Incentive Payments	3,000,000	0	3,000,000	3,000,000	0	3,000,000
Missouri Ethanol Producer Incentive Payments in accordance with Section 142.028 through Section 142.029 RSMo	3,000,000	0	3,000,000	3,000,000	0	3,000,000

Appendix B

DEPARTMENT OF AGRICULTURE
COMPARATIVE SCHEDULE OF EXPENDITURES (FROM APPROPRIATIONS)

	Year Ended June 30,				
	1999	1998	1997	1996	1995
Salaries for permanent employees	\$ 9,776,308	9,476,241	8,993,592	8,303,346	8,066,844
Wages for temporary employees	0	0	12,613	8,041	15,018
Per diem	80,542	78,669	58,278	46,343	38,916
Total personal services	9,856,850	9,554,910	9,064,483	8,357,730	8,120,778
Miscellaneous programs (Note)	854,209	9,847,207	11,309,543	9,035,452	9,122,885
Recipient Payments	0	0	140	0	0
Refunds	30,340	0	0	50,739	10,000
Total program specific	884,549	9,847,207	11,309,683	9,086,191	9,132,885
Travel and vehicle expense	840,703	869,877	805,020	754,658	689,156
Transportation equipment purchases	471,152	173,042	499,687	524,257	493,380
Office expense	551,267	433,055	559,715	465,632	353,451
Office and communication equipment purchases	80,936	109,269	75,502	60,107	152,941
Communication expense	434,695	383,457	401,916	348,754	365,218
Institution and physical plant expense	765,975	718,502	707,246	667,617	564,773
Institution and physical plant purchases	134,334	275,114	226,315	279,785	319,423
Data processing expense and equipment	391,071	751,186	276,285	322,723	302,257
Professional services	1,050,682	1,021,402	734,485	569,900	675,102
Other expense	777,821	618,817	848,588	1,171,275	1,167,804
Total expense and equipment	5,498,636	5,353,721	5,134,759	5,164,708	5,083,505
Total expenditures	\$ 16,240,035	24,755,838	25,508,925	22,608,629	22,337,168

Note: Commodity Council Assessments - Based on changes to RSMo 275.350, checkoff funds collected by the various commodity councils are no longer considered state funds and are to be administered by the state Department of Revenue (DOR) and accounted for within a DOR account. As a result, fiscal year 1999 expenditures exclude commodity assessment distributions now processed through the DOR.

Total Missouri Qualified Fuel Ethanol Producer Incentive Fund	6,000,000	0	6,000,000	6,000,000	0	6,000,000
AQUACULTURE MARKETING DEVELOPMENT FUND						
Missouri Aquaculture Council	25,000	10,597	14,403	25,000	10,837	14,163
Personal Service	0	0	0	6,075	0	6,075
Total Aquaculture Marketing Development Fund	25,000	10,597	14,403	31,075	10,837	20,238
LIVESTOCK SALES AND MARKETS FEES FUND						
Office of Director - Expense and Equipment	179	0	179	1,227	1,227	0
Expenses incurred in regulating Missouri livestock markets	32,565	19,084	13,481	32,565	5,431	27,134
Total Livestock Sales and Markets Fees Fund	32,744	19,084	13,660	33,792	6,658	27,134
APPLE MERCHANDISING FUND						
Research, promotion and market development of apples	12,000	3,973	8,027	12,000	3,936	8,064
Total Apple Merchandising Fund	12,000	3,973	8,027	12,000	3,936	8,064
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LIVESTOCK DEALER LAW ENFORCEMENT AND ADMINISTRATION FUND						
Office of Director - Expense and Equipment	26	0	26	463	463	0
Enforcement activities related to the Livestock Dealer Law	12,250	1,619	10,631	12,250	3,752	8,498
Total Livestock Dealer Law Enforcement and Administration Fund	12,276	1,619	10,657	12,713	4,215	8,498
MILK INSPECTION FEES FUND						
Office of Director - Personal Service	1,051	0	1,051	1,074	0	1,074
Office of Director - Expense and Equipment	387	0	387	3,595	3,595	0
Total Milk Inspection Fees Fund	1,438	0	1,438	4,669	3,595	1,074
GRAIN INSPECTION FEES FUND						
Office of Director - Vehicle						
Replacement - Expense and Equipment	72,400	0	72,400	51,660	0	51,660
Office of Director - Personal Service	30,981	20,078	10,903	28,964	1,470	27,494
Office of Director - Expense and Equipment	1,356	0	1,356	14,699	14,699	0
Grain Inspection and Warehousing - Expense and Equipment	414,794	154,725	260,069	306,402	173,903	132,499
Payment of real property leases, related services, utilities and systems furniture; and structural modifications for new FTE - Expense and Equipment	78,902	65,436	13,466	94,994	64,236	30,758
Grain Inspection and Warehousing - Personal Service	1,687,424	1,045,153	642,271	1,626,412	1,066,156	560,256
Payment of Federal User Fee	100,000	52,880	47,120	100,000	52,189	47,811
Total Grain Inspection Fees Fund	2,385,857	1,338,272	1,047,585	2,223,131	1,372,653	850,478
PETROLEUM INSPECTION FUND						
Office of Director - Vehicle						
Replacement - Expense and Equipment	144,800	144,800	0	34,440	32,857	1,583
Office of Director - Personal Service	10,168	9,414	754	9,667	0	9,667
Office of Director - Expense and Equipment	3,872	3,000	872	47,194	46,193	1,001
Weights and Measures - Expense and Equipment	485,944	458,091	27,853	483,077	469,389	13,688
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Weights and Measures - Personal Service	1,024,135	951,616	72,519	919,924	860,460	59,464
Total Petroleum Inspection Fund	1,668,919	1,566,921	101,998	1,494,302	1,408,899	85,403

MARKETING DEVELOPMENT FUND						
Grape and Wine Market and Development						
Program - Personal Service	550,000	550,000	0	550,000	376,032	173,968
Total Marketing Development Fund	550,000	550,000	0	550,000	376,032	173,968
AGRICULTURE BOND TRUSTEE FUND						
Processing livestock market bankruptcy						
claims	135,000	30,140	104,860	135,000	0	135,000
Total Agriculture Bond Trustee Fund	135,000	30,140	104,860	135,000	0	135,000
BOLL WEEVIL SUPPRESSION AND ERADICATION FUND						
Ongoing boll weevil suppression and eradication						
through a cotton growers' organization						
in accordance with Sections 263.050 - 263.537						
RSMo	622,848	0	622,848	622,848	0	622,848
Total Boll Weevil Suppression and Eradication	622,848	0	622,848	622,848	0	622,848
AGRICULTURE DEVELOPMENT FUND						
Office of Director - Vehicle						
Replacement - Expense and Equipment	0	0	0	34,440	0	34,440
Agriculture Development Program -						
Personal Service	148,493	39,465	109,028	218,545	136,394	82,151
Agriculture Development Program -						
Expense and Equipment	41,232	18,535	22,697	61,430	44,104	17,326
All moneys in the Agriculture						
Development Fund for investment,						
reinvestment, and for emergency						
agricultural relief and rehabilitation						
as provided by law	4,959,070	213,304	4,745,766	5,000,000	369,499	4,630,501
Total Agriculture Development Fund	5,148,795	271,304	4,877,491	5,314,415	549,997	4,764,418
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INSTITUTION GIFT TRUST FUND						
Personal Service and/or Expense and						
Equipment	0	0	0	25,000	0	25,000
A feasibility study of an Agricultural						
Learning Center featuring a Living						
History Farm exhibit	0	0	0	25,000	0	25,000
Agricultural Awareness Program -						
Expense and Equipment	25,000	10,201	14,799	0	0	0
Expenditure of contributions, gifts, and						
grants in support of relief efforts to						
reduce the suffering of abandoned						
animals	5,000	832	4,168	5,000	0	5,000
Total Institution Gift Trust Fund	30,000	11,033	18,967	55,000	0	55,000
Total All Funds	\$ 43,586,144	16,240,035	27,346,109	42,522,100	24,755,838	17,766,262

Note: The appropriations presented above are used only to account for and control the department's expenditures from amounts appropriated by the General Assembly. The department administers transactions in the funds presented above. However, the state treasurer as fund custodian and the Office of Administration provide administrative control over fund resources within the authority prescribed by the General Assembly.

Appendix C

DEPARTMENT OF AGRICULTURE
COMPARATIVE SCHEDULE OF RECEIPTS - ALL FUNDS

	Year Ended June 30,				
	1999	1998	1997	1996	1995
Animal Health	\$ 716,848	643,625	591,891	608,965	539,088
Grain Inspection and Warehousing	10,421,117	11,391,671	12,742,375	11,006,095	10,476,898
Plant Industry	1,756,583	1,679,091	1,567,759	1,547,058	1,575,668
Market Development	843,651	1,266,569	1,457,976	1,304,654	1,741,656
Weight and Measures	441,293	383,245	359,119	381,301	345,446
Missouri Agricultural and Small Business Development Authority	139,666	152,851	223,030	54,146	0
Miscellaneous	42,601	27,325	30,668	69,141	27,762
Total	\$ 14,361,759	15,544,377	16,972,818	14,971,360	14,706,518

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